

COVER SHEET

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S.E.C. Registration Number

[illegible]

(Company's Full Name)

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(Business Address: No. Street City / Town Province)

Atty. Joselito V. Banaag

Contact Person

8	3	6	-	4	5	-	0	0			
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Company Telephone Number									
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1	2
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Month

3	1
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Day

Fiscal Year

Preliminary Information Statement

Form Type

Second Monday of May

Regular Meeting

Certificate of Permit to Offer Securities for Sale (Order #092)

Secondary License type, if applicable

M	S	R	D
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Dept. Requiring this Doc.

Amended Articles Number/Section

71

Total No. of Stockholders

Total amount of Borrowings

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

[illegible]

Document I.D.

Cashier

Remarks = Pls. use black ink for scanning purposes.



GT CAPITAL
HOLDINGS, INCORPORATED

SECURITIES AND EXCHANGE
COMMISSION
NOV 13 2014
1:25
J. Viray

Notice of Special Stockholders' Meeting
January 9, 2015 at 10:00 a.m.
Penthouse, GT Tower International
6813 Ayala Avenue corner H.V. Dela Costa St., Makati City

To all Stockholders:

Please take notice that a special stockholders' meeting of GT Capital Holdings, Inc. will be held on January 9, 2015 at 10:00 a.m. at the Penthouse, GT Tower International 6813 Ayala Avenue corner H.V. Dela Costa St., Makati City. Registration shall begin at 9:30 a.m. The agenda of the meeting is set forth below:

A G E N D A

1. Call to order
2. Certification of notice and quorum
3. Approval of minutes of annual meeting of stockholders held on May 12, 2014
4. Amendment to Articles of Incorporation of the Corporation*
5. Adjournment

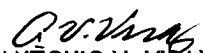
The Board of Directors has fixed the end of trading hours of the Philippine Stock Exchange (PSE) on November 10, 2014 as the record date for the determination of stockholders entitled to notice of and to vote at the special stockholders' meeting and any adjournment thereof.

In case you cannot personally attend the meeting, you are requested to accomplish the attached proxy form and return the same to the office of the Secretary at 43/F GT Tower International, 6813 Ayala Avenue corner H. V. Dela Costa St., Makati City 1227 on or before 5:00 p.m. on December 17, 2015.

For your convenience in registering your attendance, please bring some form of identification with a photograph, such as a passport, driver's license, or company I.D.

Makati City, November 13, 2014.

BY THE ORDER OF THE BOARD OF DIRECTORS


ANTONIO V. VIRAY
Corporate Secretary
GT CAPITAL HOLDINGS, INC.

PROXY

The undersigned stockholder of GT Capital Holdings, Inc. (the "Company") hereby appoints _____ or in his absence, the Chairman of the meeting, as *attorney* and *proxy*, with the power of substitution, to present and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Special Meeting of Stockholders of the Company on January 9, 2015 and at any of the adjournments thereof for the purpose of acting on the following matter:

1. Approval of minutes of previous annual stockholders' meeting

___ Yes ___ No ___ Abstain

2. Proposed amendment to Article SEVENTH of the GT Capital Holdings, Inc.'s Amended Articles of Incorporation to create a new class of shares – Voting Preferred Shares, to be taken from existing authorized capital stock of the Company.

___ Yes ___ No ___ Abstain

PRINTED NAME OF STOCKHOLDER	SIGNATURE OF STOCKHOLDER/ AUTHORIZED SIGNATORY	DATE

THIS PROXY SHOULD BE SUBMITTED TO THE CORPORATE SECRETARY ON OR BEFORE THE END OF BUSINESS HOURS ON DECEMBER 17, 2014, THE DEADLINE FOR SUBMISSION OF PROXIES.

THIS PROXY IS NOT REQUIRED TO BE NOTARIZED, AND WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED 'FOR' THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A STOCKHOLDER GIVING PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSES HIS OR HER INTENTION TO VOTE IN PERSON.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

SECURITIES AND EXCHANGE COMMISSION
1001 E. AVENUE
DENVER, CO 80202
TEL: (303) 291-3000
FAX: (303) 291-3001
WWW.SEC.GOV
4/28

1. Check the appropriate box:
☒ Preliminary Information Statement
☐ Definitive Information Statement
2. Name of Registrant as specified in its charter: **GT CAPITAL HOLDINGS, INC.**
3. Province, country or other jurisdiction of incorporation or organization: **PHILIPPINES**
4. SEC Identification Number: **CS200711792**
5. BIR Tax Identification Code **006-806-867**
6. Address of principal office: **43/F GT Tower International, 6813 Ayala Avenue corner H. V. Dela Costa St., Makati City, Metro Manila, Philippines Postal Code: 1227**
7. Registrant's telephone number, including area code: **(632) 836-4500**
8. Date, time and place of the meeting of security holders: **January 9, 2015 at 10:00 a.m., to be held at the Penthouse, GT Tower International 6813 Ayala Avenue corner H.V. Dela Costa St., Makati City.**
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **December 2, 2014**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the SRC (information on number of shares and amount of debt is applicable only to corporate registrants):

a) Shares of Stock

Title of Each Class	Number of Shares of Common Stock
	Outstanding or Amount of Debt Outstanding
Common Shares	174,300,000
Debt Outstanding	P21,791,816,012.00

b) Debt securities: Php22 Billion Bonds

11. Are any or all of registrant's securities listed in a Stock Exchange?

Yes ☒ No ☐

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

The Philippine Stock Exchange, Inc., common shares.

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

- (a) The Special Stockholders' Meeting of GT Capital Holdings, Inc. ("GT Capital", the "Corporation", or the "Company") is scheduled to be held on January 9, 2015 at 10:00 a.m. at the Penthouse, GT Tower International 6813 Ayala Avenue corner H.V. Dela Costa St., Makati City. The complete mailing address of the principal office of the registrant is 43/F GT Tower International, 6813 Ayala Avenue corner H. V. Dela Costa Street, Makati City, Metro Manila, Philippines 1227.
- (b) The approximate date on which the Information Statement will be sent or given to the stockholders is on December 2, 2014.

Statement that proxies are not solicited

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND A PROXY.

Voting Securities

The record date for purposes of determining the stockholders entitled to vote is November 10, 2014. The total number of shares outstanding and entitled to vote in the stockholders' meeting is 174,300,000 shares. Stockholders are entitled to cumulative voting in the election of the board of directors, as provided by the Corporation Code.

Item 2. Dissenters' Right of Appraisal

Pursuant to Section 81 of the Corporation Code of the Philippines, a stockholder has the right to dissent and demand payment of the fair value of his shares in the following instances:

- (a) In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any shares of any class, or of extending or shortening the term of corporate existence.
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
- (c) In case of merger or consolidation.

A stockholder must have voted against the proposed corporate action in order to avail himself of the appraisal right. The procedure for the exercise by a dissenting stockholder of his appraisal right is as follows:

- (a) The dissenting stockholder shall make a written demand on the corporation within 30 days after the date on which the vote was taken for payment for the fair value of his shares. The failure of the stockholder to make the demand within 30 day period shall be deemed a waiver on his appraisal right;
- (b) If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of corresponding certificate(s) of stock within 10 days after demanding payment for his shares (Sec. 86), the fair value thereof; and
- (c) Upon payment of the agreed or awarded price, the stockholder shall transfer his share to the corporation.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) No director or officer of the Company since the beginning of the last fiscal year, nominee for election as director, or associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office.
- (b) No director in the Company has given written notice that he intends to oppose any action to be taken by the Company at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of October 31, 2014, the total number of shares outstanding and entitled to vote in the stockholders' meeting is 174,300,000 common shares.
- (b) The record date for determining the stockholders entitled to notice and to vote is November 10, 2014.
- (c) Stockholders shall be entitled to vote in person or by proxy and, unless otherwise provided by law, he shall have one vote for each share of stock entitled to vote and recorded in his name in the books of the Corporation. At all meetings of the stockholders, all elections and all questions shall be decided by the plurality of vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present, except in cases where other provision is made under a statute. Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, and entitled to vote thereat, the vote on any question need not be by ballot. On a vote by ballot each ballot shall be signed by the stockholder voting, or in his name by proxy if there be a proxy, and shall state the number of shares voted by him.

In the election of Directors, each stockholder shall be entitled to cumulate his votes in the manner prescribed by Title III, Section 24 of the Corporation Code of the Philippines.

(d) Security Ownership of Certain Record and Beneficial Owners as of October 31, 2014:

As of October 31, 2014, the following are the owners of the Company's common stock in excess of 5% of total outstanding shares:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (%)
Common	Grand Titan Capital Holdings, Inc. 4 th Floor Metrobank Plaza, Sen. Gil Puyat Ave., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Grand Titan Capital Holdings, Inc.	Filipino	103,371,110	59.306%

Common	PCD Nominee Corp. (Non-Filipino)	Various Clients ¹	Foreign	59,145,820	33.933%
Common	PCD Nominee Corp. (Filipino)	Various Clients ¹	Filipino	11,175,278	6.819%

(1) The number of shares held by PCD Nominee Corp. (Filipino and Non-Filipino) is comprised of various clients who are the beneficial owners of GT Capital Shares which are lodged with the Philippine Depository & Trust Corp.

Security Ownership of Management as of October 31, 2014

Title of Securities	Name of Beneficial Owner of Common Stock	Amount and Nature of Beneficial Ownership (D) direct/(I) indirect	Citizenship	Percent of Class
Common	Dr. George S. K. Ty	200,000 (D)	Filipino	0.115%
Common	Arthur Vy Ty	100,000 (D) 1,500 (I)	Filipino	0.057% 0.001%
Common	Alfred Vy Ty	100,000 (D) 1,500 (I)	Filipino	0.057% 0.001%
Common	Mary Vy Ty	99,000 (D)	Filipino	0.057%
Common	Anjanette T. Dy Buncio	40,000 (D) 1,500 (I)	Filipino	0.023% 0.001%
Common	Francisco C. Sebastian	100 (D)	Filipino	0.001%
Common	Solomon S. Cua	1,000 (D) 20,000 (I)	Filipino	0.001% 0.011%
Common	Carmelo Maria Luza Bautista	1,000 (D) 10,000 (I)	Filipino	0.001% 0.006%
Common	Francisco H. Suarez, Jr.	5,000 (I)	Filipino	0.003%
Common	Jocelyn Y. Kho	2,200 (I)	Filipino	0.001%
Common	Margaret T. Cham	1,500 (I)	Filipino	0.001%
Common	Roderico V. Puno	1,000 (D)	Filipino	0.001%
Common	Jaime Miguel G. Belmonte	1,000 (D)	Filipino	0.001%
Common	Dr. David T. Go	100 (D)	Filipino	0.000%
Common	Christopher P. Beshouri	1,000 (D) 500 (I)	American	0.001% 0.000%
Common	Wilfredo A. Paras	1,000 (D)	Filipino	0.001%

Common	Joselito V. Banaag	900 (I)	Filipino	0.001%
Common	Alesandra T. Ty	500 (I)	Filipino	0.000%
Common	Antonio V. Viray	0	Filipino	0.000%
Common	Jose B. Crisol, Jr.	0	Filipino	0.000%
Common	Susan E. Cornelio	0	Filipino	0.000%
Common	Richel D. Mendoza	0	Filipino	0.000%
Common	Reyna Rose P. Manon-Og	0	Filipino	0.000%
Total		545,200 (D) <u>45,100 (I)</u> 590,300 (D) and (I)		0.3386%

There are no persons holding more than 5% of a class under a voting trust or any similar agreements as of balance sheet date.

(e) Change in Control

The Company is not aware of any change in control or arrangement that may result in a change in control of the Company since the beginning of its last fiscal year.

There are no existing or planned stock warrant offerings. There are no arrangements which may result in a change in control of the Company.

Item 5. Directors and Executive Officers of the Registrant

Not applicable.

Item 6. Compensation of Executive Officers

Not applicable.

Item 7. Independent Public Accountants

Not applicable.

Item 8. Compensation Plans

Not applicable.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities Other than for Exchange

(a) Creation and issuance of One Hundred Seventy Four Million Three Hundred Thousand (174,300,000) non-cumulative, non-participating and non-convertible voting Preferred Shares of Stock with a par value of Ten Centavos (P0.10) per share.

(b) The voting preferred shares shall have the following features, rights and privileges:

- i. The Issue value shall be determined by the Board of Directors at the time of the issuance of the shares;

- ii. The Dividend Rate shall be determined by the Board of Directors at the time of the issuance of the shares, equivalent to 3-year PDST R2 to be repriced every 10 years and payable annually;
- iii. The Voting Preferred Shares shall be non-cumulative and the holders thereof are entitled to the payment of current but not past dividends;
- iv. The Voting Preferred Shares shall be non-participating in any other of further dividends beyond that specifically payable on the shares;
- v. The Voting Preferred Shares shall be redeemable at par value, at the sole option of the Corporation, under terms and conditions approved by the Board of Directors;
- vi. Holders of Voting Preferred Shares shall be entitled to one vote for each share in his name on the books of the Corporation;
- vii. Holders of Voting Preferred Shares shall have no pre-emptive rights to any issue of shares, Common or Preferred;
- viii. The Voting Preferred Shares will not be listed at and will not be tradeable in the Philippine Stock Exchange; and
- ix. Other features, rights and privileges determined by the Board of Directors.

(c) Voting Preferred Shares shall be offered to holders of common stock through a one-for-one rights offering after approval of the Securities and Exchange Commission ("SEC") of the amendment to the Articles of Incorporation of GT Capital. Issue price of the Voting Preferred Shares will be par value of Ten Centavos (P0.10) per share, resulting in an approximate amount of consideration of Seventeen Million Four Hundred Thirty Thousand Pesos (P17,430,000). Net proceeds shall be used for general corporate requirements of the Company.

Timetable for the issuance of the Voting Preferred Shares will be dependent on the approval of the SEC.

The Preferred Shares will be offered to eligible shareholders with each eligible shareholder entitled to subscribe to one voting Preferred Share for every one common share held as of the Record Date on November 10, 2014.

Item 10. Modification or Exchange of Securities

Not applicable.

Item 11. Financial and Other Information

Not applicable.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

Not applicable.

Item 13. Acquisition or Disposition of Property

Not applicable.

Item 14. Restatement of Accounts

Not applicable.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following are to be submitted for approval during the stockholders' meeting:

- (a) Minutes of the annual meeting of stockholders held on May 12, 2014.

The following was the agenda of the said meeting:

- Call to order
 - Certification of notice and quorum
 - Approval of the minutes of the annual meeting of stockholders held on May 14, 2013
 - Annual Report for the Year 2013
 - General ratification of the acts of the Board of Directors and the management from the date of the last annual stockholders' meeting up to and including May 12, 2014
 - Election of directors for 2014-2015
 - Appointment of external auditor
 - Amendment to Articles of Incorporation of the Corporation
 - Amendment to By-laws of the Corporation
 - Adjournment
- (b) Amendment of the Corporation's Articles of Incorporation to create a new class of shares - Voting Preferred Shares, to be sourced from the existing authorized capital stock of the Corporation.

There are no other matters that would require approval of the stockholders.

Item 16. Matters Not Required to be Submitted

Not applicable.

Item 17. Amendment of Charter, By-laws or Other Documents

The Board of Directors approved on October 23, 2014 the proposed amendment to Article SEVENTH of the Corporation's Amended Articles of Incorporation to create a new class of shares - Voting Preferred Shares, to be taken from existing authorized capital stock of the Corporation. One Hundred Seventy Four Million Three Hundred Thousand (174,300,000) Voting Preferred Shares with a par value of Ten Centavos (P0.10) per share shall be created, which shall be non-cumulative, non-participating and non-convertible and shall have the following additional features, rights and privileges:

- i. The Issue value shall be determined by the Board of Directors at the time of the issuance of the shares;
- ii. The Dividend Rate shall be determined by the Board of Directors at the time of the issuance of the shares, equivalent to 3-year PDST R2 to be repriced every 10 years and payable annually;
- iii. The Voting Preferred Shares shall be non-cumulative and the holders thereof are entitled to the payment of current but not past dividends;
- iv. The Voting Preferred Shares shall be non-participating in any other of further dividends beyond that specifically payable on the shares;
- v. The Voting Preferred Shares shall be redeemable at par value, at the sole option of the Corporation, under terms and conditions approved by the Board of Directors;
- vi. Holders of Voting Preferred Shares shall be entitled to one vote for each share in his name on the books of the Corporation;
- vii. Holders of Voting Preferred Shares shall have no pre-emptive rights to any issue of shares, Common or Preferred;

- viii. The Voting Preferred Shares will not be listed at and will not be tradeable in the Philippine Stock Exchange; and
- ix. Other features, rights and privileges determined by the Board of Directors.

Rationale: The amendment and thereafter, the issuance of Voting Preferred Shares is for the purpose of ensuring compliance with foreign ownership limits under the 1987 Philippine Constitution, existing laws and SEC Memorandum Circular No. 8, series of 2013.

Item 18. Other Proposed Action

Not applicable.

Item 19. Voting Procedures

As stated in Section 7 of Article II of the Company's By-Laws, a stockholder may vote in person or by proxy. Unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the secretary. All proxies must be in the hands of the secretary before the time set for the meeting. Proxies filed with the secretary may be revoked by the stockholders either in an instrument in writing duly presented and recorded with the secretary prior to a scheduled meeting or by their personal presence at the meeting.

Methods by which votes will be counted

All matters subject to vote, except in cases where the law provides otherwise, shall be decided by the plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present.

Unless required by law, or demanded by a stockholder present in person or by proxy at any meeting, and entitled to vote thereat, the vote of any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or in his name by his proxy if there be such proxy, and shall state the number of shares voted by him.

The external auditor of the Company, SGV & Co., will validate the ballots when voting is done by secret ballot. Likewise, SGV & Co. will count the number of hands raised when voting by show of hands is done.

N.B. UPON WRITTEN REQUEST OF A STOCKHOLDER, GT CAPITAL HOLDINGS, INC. SHALL PROVIDE, FREE OF CHARGE, A COPY OF ITS 2013 ANNUAL REPORT (SEC FORM 17-A). THE REQUEST SHOULD BE ADDRESSED TO THE ATTENTION OF FRANCISCO H. SUAREZ, JR., CHIEF FINANCIAL OFFICER, 43RD FLOOR, GT TOWER INTERNATIONAL, AYALA AVENUE CORNER H. V. DELA COSTA ST., MAKATI CITY 1227.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Makati on November 13, 2014.

By:

A handwritten signature in black ink, appearing to read 'F. Suarez, Jr.', with a large, sweeping flourish extending to the right.

FRANCISCO H. SUAREZ, JR.
Chief Financial Officer

MANAGEMENT REPORT

A.i Consolidated Audited Financial Statements

The Company's consolidated financial statements for the nine months ended September 30, 2014 are incorporated herein by reference.

A.ii Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and disagreements with accountants on accounting and financial disclosures.

A.iii Management's Discussion and Analysis or Plan of Operation

Consolidated Results of Operations-For the Nine Months Ended September 30, 2014 and For the Nine Months Ended September 30, 2013

	Unaudited Nine Months Ended September		Increase (Decrease)	
	2014	2013	Amount	Percentage
(In Million Pesos, Except for Percentage)				
REVENUE				
Automotive operations	79,193	52,759	26,434	50%
Net fees	14,316	12,508	1,808	14%
Real estate sales	4,457	3,699	758	20%
Interest income on real estate sales	899	515	384	75%
Equity in net income of associates and joint ventures	2,755	4,044	(1,289)	(32%)
Net premium earned	1,306	-	1,306	100%
Sale of goods and services	457	541	(84)	(16%)
Rent income	439	476	(37)	(8%)
Interest income on deposits and investments	295	315	(20)	(6%)
Commission income	142	153	(11)	(7%)
Gain from previously held interest	-	1,260	(1,260)	(100%)
Other income	663	518	145	28%
	104,922	76,788	28,134	37%
COSTS AND EXPENSES				
Cost of goods and services sold	50,062	32,514	17,548	54%
Cost of goods manufactured	18,283	13,932	4,351	31%
General and administrative expenses	9,633	6,412	3,221	50%
Power plant operation and maintenance expenses	7,791	6,485	1,306	20%
Cost of real estate sales	3,324	2,843	481	17%
Interest expense	2,441	2,510	(69)	(3%)
Net insurance benefits and claims	577	-	577	100%
	92,111	64,696	27,415	42%
INCOME BEFORE INCOME TAX	12,811	12,092	719	6%
PROVISION FOR INCOME TAX	2,216	1,474	742	50%
NET INCOME	10,595	10,618	(23)	0%
Attributable to:				
Equity holders of the Parent Company	6,346	7,688	(1,342)	(17%)
Non-controlling interest	4,249	2,930	1,319	45%
	10,595	10,618	(23)	0%

GT Capital Holdings, Inc. ("GT Capital" or the "Company") reported a consolidated net income attributable to equity holders of the Parent Company amounting to Php6.3 billion for the nine months ended September 30, 2014, representing a 17% decline from the Php7.7 billion recorded in the same period last year. Consolidated revenues, however, increased by 37% from Php76.8 billion in the first nine months of 2013 to Php104.9 billion in the first nine months of 2014.

The revenue growth came from the following component companies: (1) automotive operations from Toyota Motor Philippines Corporation ("TMP") and Toyota Cubao, Inc. ("TCI") as combined sales increased from Php52.8 billion to Php79.2 billion accounting for 75% of total revenue; (2) net fees from Global Business Power Corporation ("GBPC") which increased from Php12.5 billion to Php14.3 billion accounting for 14% of total revenue; (3) higher real estate sales and interest income on real estate sales from Federal Land, Inc. ("Fed Land") which grew from Php4.2 billion to Php5.4 billion; and (4) net premium earned from Charter Ping An Insurance Corporation (CPAIC) which reached Php1.3 billion.

Core net income attributable to equity holders of the Parent Company decreased by 1% from Php6.4 billion to Php6.3 billion after excluding the Php1.3 billion non-recurring income realized from the remeasurement of GT Capital's 36% previously-held interest in TMP following GT Capital's acquisition of control over TMP in 2013.

Fed Land, GBPC, TMP, CPAIC and TCI are consolidated in the financial statements of the Company. The other component companies Metropolitan Bank and Trust Company ("Metrobank" or "MBTC"), Philippine AXA Life Insurance Corporation ("AXA Philippines"), Toyota Manila Bay Corporation ("TMBC"), and Toyota Financial Services Philippines Corporation ("TFSPC") are accounted for through equity accounting.

Of the nine (9) component companies, CPAIC, Metrobank, AXA Philippines and TFSPC reported declines in its respective net income for the period in review. On the other hand, Fed Land, TMP, TCI and TMBC posted double digit growths in their respective net income, while GBPC reported a single digit growth in net income for the period in review.

Automotive operations grew by 50% or Php26.4 billion from Php52.8 billion to Php79.2 billion due to the continued strong demand for the all new Vios, new models mix - Corolla Altis, Wigo, and Yaris and minor improvements in the Innova and Hi-Lux, sales volume increments across all other models, aggressive sales and promotions, and continued expansion in dealer outlets from 42 to 44.

Net fees increased by 14% from Php12.5 billion to Php14.3 billion primarily due to interim power purchase contracts with bilateral customers and additional Wholesale Electricity and Spot Market (WESM) compensation collected.

Real estate sales and interest income on real estate sales rose by 27% year-on-year from Php4.2 billion to Php5.4 billion driven by sales contributions from ongoing high-end and middle market development projects situated in Pasay City, Quezon City, Escolta, Manila, Cebu, Bonifacio Global City, and Marikina City.

Equity in net income of associates and joint ventures was 32% lower from Php4.0 billion to Php2.8 billion as the net income from Metrobank and AXA Philippines declined for the period. The decrease in Metrobank's net income was chiefly due to a decrease in trading, security and foreign exchange gains; (2) exclusion of one-time gains from the sale of acquired properties to Fed Land in January 2014; (3) sale of First Metro Investment Corporation's direct equity stakes in CPAIC, TMBC, and TCI; and (5) sale of Metrobank's and PSBank's direct equity stakes in TFSPC as the aforementioned sale(s) constituted intercompany sale(s) within the GT Capital Group which is eliminated in the consolidation. AXA Philippines' net income also declined from Php1.0 billion in 2013 to Php845 million in 2014 primarily due to a decrease in premium revenue, reduction in the investment income from non-linked investments, higher corporate support expenses, and higher business and income taxes.

Net premium earned from CPAIC comprising gross earned premiums on non-life insurance contracts, net of reinsurer's share, contributed Php1.3 billion in revenues.

Sale of goods and services, consisting of the sale of petroleum products on a wholesale and retail basis, at the Blue Wave malls situated in Pasay City and Marikina City decreased by 16% from Php541 million to Php457 million due to lower fuel sales arising from fuel price increases and rollbacks implemented during the period in review.

Rent income mainly from the GT Tower International office building, the Blue Wave malls, Blue Bay Walk and other Fed Land projects reached Php439 million.

Interest income on deposits and investments declined by 6% from Php315 million to Php295 million largely due to a decline in placement rates earned in money market placements.

Commission income realized from the sale of the Grand Hyatt and Grand Midori residential condominium units declined by 7% from Php153 million to Php142 million as the Grand Midori residential project was fully sold.

Other income grew by 28% from Php518 million to Php663 million with Fed Land contributing Php410 million comprising forfeitures, management fees and other income and TMP contributing Php160 million consisting of gain on sale of fixed assets, dividend income and other income. The remaining balance of Php91 million came from GBPC (Php59 million), CPAIC (Php31 million) and TCI (Php1 million).

Consolidated costs and expenses increased by 42% from Php64.7 billion as of the first nine months of 2013 to Php92.1 billion in the first nine months of 2014. TMP contributed Php70.1 billion comprising cost of goods sold for manufacturing and trading activities and general and administrative expenses. GBPC contributed Php11.8 billion comprising power plant operations and maintenance, general and administrative expenses and interest expenses. Fed Land contributed Php5.6 billion consisting of cost of real estate sales, cost of goods sold, general and administrative expenses and interest expenses. TCI contributed Php2.6 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. CPAIC accounted for Php1.4 billion, which consisted of general and administrative expenses and net insurance benefits and claims. GT Capital Parent Company accounted for Php688 million representing interest expenses and general and administrative expenses.

Cost of goods and services sold increased by 54% from Php32.5 billion to Php50.1 billion with TMP's and TCI's completely built-up units and spare parts accounting for Php49.6 billion and the balance from Fed Land's petroleum service station business.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP grew by 31% from Php13.9 billion in the first nine months of 2013 to Php18.3 billion in the first nine months of 2014.

General and administrative expenses rose by 50% from Php6.4 billion to Php9.6 billion. TMP accounted for Php4.6 billion comprising advertising and sales promotion expenses, salaries, taxes and licenses and delivery and handling. GBPC contributed Php2.5 billion representing salaries, taxes and licenses, repairs and maintenance, administration and management expenses, outside services and insurance expenses. Fed Land contributed Php1.4 billion comprising salaries, commissions, depreciation and taxes and licenses. CPAIC accounted for Php781 million consisting of commissions and salaries. GT Capital contributed Php170 million principally salaries, taxes and licenses, and donations. The remaining balance of Php152 million pertain to TCI's salaries, advertising and promotions, commission and utilities expenses.

Power plant operations and maintenance expenses consisting of purchased power and repairs and maintenance from the power generation companies of GBPC increased by 20% from Php6.5 billion to Php7.8 billion mainly due to an increase in energy sales and purchased power expenses.

Cost of real estate sales increased by 17% from Php2.8 billion to Php3.3 billion arising from increase in real estate sales.

Net insurance benefits and claims amounted to Php577 million, representing benefits and claims paid to policyholders, including changes in the valuation of the insurance contract liabilities and internal and external claim handling costs directly related to the processing and settlement of claims.

Provision for income tax increased by 50% from Php1.5 billion to Php2.2 billion with TMP, Fed Land, CPAIC and GBPC contributing Php1.9 billion, Php281 million, Php36 million and Php26 million, respectively.

Consolidated net income attributable to equity holders of the Parent Company declined by 17% from Php7.7 billion in the first nine months of 2013 to Php6.3 billion in the first nine months of 2014.

GT Capital Consolidated Results of Operations
Third Quarter ended September 30, 2014 versus Third Quarter ended September 30, 2013

(In millions, except for percentage)	Unaudited		Increase (Decrease)	
	July to September 2014	2013	Amount	Percentage
REVENUE				
Automotive operations	29,472	20,709	8,763	42%
Net fees	5,118	3,852	1,266	33%
Real estate sales	1,647	1,445	202	14%
Interest income on real estate sales	394	219	175	80%
Equity in net income of associates and joint ventures	1,000	780	220	28%
Net premium earned	420	-	420	100%
Sale of goods and services	142	202	(60)	(30%)
Rent income	129	176	(47)	(27%)
Interest income on deposits and investments	116	77	39	51%
Commission income	49	62	(13)	(21%)
Other income	263	215	48	22%
	38,750	27,737	11,013	40%
COSTS AND EXPENSES				
Cost of goods and services sold	18,639	12,058	6,581	55%
Cost of goods manufactured	6,402	6,434	(32)	0%
General and administrative expenses	3,733	2,276	1,457	64%
Power plant operation and maintenance	2,655	2,079	576	28%
Cost of real estate sales	1,317	1,109	208	19%
Interest expense	841	818	23	3%
Net insurance benefits and claims	227	-	227	100%
	33,814	24,774	9,040	36%
INCOME BEFORE INCOME TAX	4,936	2,963	1,973	67%
PROVISION FOR INCOME TAX	844	472	372	79%
NET INCOME	4,092	2,491	1,601	64%
Attributable to:				
Equity holders of the GT Capital Holdings, Inc.	2,381	1,636	745	46%
Non-controlling interest	1,711	855	856	100%
	4,092	2,491	1,601	64%

Net income attributable to equity holders of the Parent Company increased by 46% from Php1.6 billion in the third quarter of 2013 to Php2.4 billion in the third quarter of 2014. The improvement in net income came from 40% growth in consolidated revenues from Php27.7 billion to Php38.8 billion.

Automotive operations increased by 42% or Php8.8 billion from Php20.7 billion to Php29.5 billion owing to the strong demand for the all new Vios, new models mix - Corolla Altis, Wigo, and Yaris, minor improvements in the Innova and Hi-Lux, sales volume increments across all other models, aggressive sales and promotions, and continued expansion in dealer outlets from 42 to 44.

Net fees rose by 33% from Php3.9 billion to Php5.1 billion due to the interim power purchase contract with bilateral customers and the additional WESM compensation collected.

Real estate sales and interest income on real estate sales rose by 23% quarter-on-quarter from Php1.7 billion to Php2.0 billion driven by booked revenue contributions from the ongoing high-end and middle- market residential condominium projects of Fed Land.

Equity in net income of associates and joint ventures increased by 28% from Php780 million to Php1.0 billion largely due to the improvement in net income of Metrobank and AXA Philippines.

CPAIC contributed Php420 million of revenues from net premium earned for the quarter.

Sales of goods and services consisting of the sale of petroleum products, on a wholesale and retail basis, dropped by 30% from Php202 million to Php142 million due to lower fuel sales arising from successive price increases and rollbacks implemented in the quarter.

Rent income decreased from Php176 million to Php129 million with the GT Tower office tower as major contributor.

Interest income on deposits and investments increased by 51% from Php77 million to Php116 million due to increase in available funds for short term placement.

Commission income earned from the selling of units in the Grand Midori project in Makati City and the Metrobank Center/Grand Hyatt project in Bonifacio Global City dropped by 21% from Php62 million to Php49 million as the Grand Midori project has been fully sold..

Other income increased by 22% from Php215 million to Php263 million with Fed Land contributing Php169 million comprising real estate forfeitures, management fees and other income and TMP contributing Php50 million consisting of gain on sale of fixed assets and dividend income. The remaining balance of Php44 million came from GBPC (Php38 million); and CPAIC (Php6 million).

Consolidated costs and expenses grew by 36% from Php24.8 billion to Php33.8 billion. TMP contributed Php25.6 billion comprising cost of goods sold for manufacturing and trading activities and general and administrative expenses. GBPC accounted for Php4.0 billion comprising power plant operations and maintenance, general and administrative expenses and interest expense. Fed Land contributed Php2.1 billion from cost of real estate sales, cost of goods and services, general and administrative expenses and interest expense. TCI contributed Php1.4 billion composed of cost of goods and services sold, general and administrative expenses and interest expenses. CPAIC contributed Php489 million while the remaining balance of Php258 million came from GT Capital.

Cost of goods and services sold grew by 55% from Php12.1 billion to Php18.6 billion with TMP's and TCI's completely built-up units and spare parts accounting for Php17.2 billion and Php1.3 billion, respectively and the balance of Php132 million from Fed Land's petroleum service station business.

General and administrative expenses grew by 64% from Php2.3 billion to Php3.7 billion with TMP, GBPC, Fed Land, CPAIC, TCI and GT Capital contributing Php2.0 billion, Php0.8 billion, Php0.5 billion, Php261 million, Php77 million and Php27 million, respectively.

Power plant operation and maintenance expenses from GBPC increased by 28% from Php2.1 billion to Php2.7 billion principally due to the increase in net fees.

Cost of real estate sales increased by 19% from Php1.1 billion to Php1.3 billion due to the increase in booked real estate sales.

Net insurance benefits and claims amounted to Php227 million for the quarter.

Provision for income tax reached Php844 million subdivided among TMP (Php695 million); Fed Land (Php99 million); GBPC (Php45 million); TCI (Php5 million), GT Capital (Php3 million) and CPAIC (negative Php3 million).

Net income attributable to equity holders of the Parent Company increased by 46% from Php1.6 billion to Php2.4 billion.

Consolidated Statements of Financial Position

(In Million Pesos, Except for Percentage)

ASSETS
Current Assets

	Unaudited September 2014	Audited December 2013	Increase (Decrease)	
			Amount	Percentage
Cash and cash equivalents	29,115	27,167	1,948	7%
Short-term investments	1,297	1,467	(170)	(12%)
Receivables	15,198	12,855	2,343	18%
Reinsurance assets	5,379	4,966	413	8%
Inventories	25,895	20,813	5,082	24%
Due from related parties	194	445	(251)	(56%)
Prepayments and other current assets	5,470	5,969	(499)	(8%)
Total Current Assets	82,548	73,682	8,866	12%

Noncurrent Assets

Receivables	8,220	4,929	3,291	67%
Available-for-sale investments	4,074	3,111	963	31%
Investments in associates and joint ventures	44,881	40,559	4,322	11%
Investment properties	8,435	8,329	106	1%
Property and equipment	43,138	41,163	1,975	5%
Goodwill and intangible assets	18,073	18,275	(202)	(1%)
Deferred tax assets	1,277	1,109	168	15%
Other noncurrent assets	8,469	1,203	7,266	604%
Total Noncurrent Assets	136,567	118,678	17,889	15%
	219,115	192,360	26,755	14%

LIABILITIES AND EQUITY
Current Liabilities

Accounts and other payables	23,324	19,129	4,195	22%
Insurance contract liabilities	7,257	6,684	573	9%
Short-term debt	2,197	1,744	453	26%
Current portion of long-term debt	2,943	3,364	(421)	(13%)
Current portion of liabilities on purchased properties	815	783	32	4%
Customers' deposits	1,510	1,844	(334)	(18%)
Income tax payable	637	876	(239)	(27%)
Due to related parties	182	188	(6)	(3%)
Dividends payable	-	1,966	(1,966)	(100%)
Other current liabilities	2,968	2,615	353	13%
Total Current Liabilities	41,833	39,193	2,640	7%

Noncurrent Liabilities

Long-term debt – net of current portion	42,409	40,584	1,825	4%
Bonds payable	21,770	9,883	11,887	120%
Liabilities on purchased properties – net of current portion	3,035	3,537	(502)	(14%)
Pension liability	1,882	1,704	178	10%
Deferred tax liabilities	3,290	3,252	38	1%
Other noncurrent liabilities	1,507	1,643	(136)	(8%)
Total Noncurrent Liabilities	73,893	60,603	13,290	22%
	115,726	99,796	15,930	16%

(Forward)

	Unaudited	Audited	Increase (Decrease)	
	September 2014	December 2013	Amount	Percentage
Equity				
Equity attributable to equity holders of the Parent Company				
Capital stock	1,743	1,743	-	0%
Additional paid-in capital	46,695	46,695	-	0%
Treasury shares	(6)	(6)	-	0%
Retained earnings				
Unappropriated	24,625	21,802	2,823	13%
Appropriated	3,000	-	3,000	100%
Other equity adjustments	583	729	(146)	(20%)
Other comprehensive income	(87)	(437)	350	80%
	76,553	70,526	6,027	9%
Non-controlling interest	26,836	22,038	4,798	22%
Total equity	103,389	92,564	10,825	12%
	219,115	192,360	26,755	14%

The major changes in the balance sheet items of the Company from December 31, 2013 to September 30, 2014 are as follows:

Total assets of the Group increased by 14% or Php26.8 billion from Php192.4 billion as of December 31, 2013 to Php219.1 billion as of September 30, 2014. Total liabilities increased by 16% or Php15.9 billion from Php99.8 billion to Php115.7 billion while total equity grew by 12% or Php10.8 billion from Php92.6 billion to Php103.4 billion.

Cash and cash equivalents increased by 7% or Php1.9 billion to Php29.1 billion with GBPC, TMP, Fed Land, GT Capital, CPAIC and TCI accounting for Php14.7 billion, Php10.5 billion, Php2.7 billion, Php766 million, Php403 million and Php43 million, respectively.

Short-term investments decreased by 12% or Php170 million from Php1.5 billion to Php1.3 billion from TMP.

Receivables increased by 18% to Php15.2 billion with TMP contributing Php4.8 billion consisting of trade receivables with credit terms ranging from one (1) to thirty (30) days; GBPC contributing Php3.9 billion representing outstanding billings for energy fees and passed-through fuel costs arising from the delivery of power; Fed Land contributing Php3.3 billion, a majority of which were installment contract receivables, trade receivables and other receivables; CPAIC accounted for Php2.5 billion primarily insurance receivables; and TCI accounting for Php639 million representing trade receivables from the sale of automobiles and after-sales services.

Reinsurance assets representing balances due from reinsurance companies as a result of ceding CPAIC's insurance risk in the normal course of business reached Php5.4 billion.

Inventories increased by 24% or Php5.1 billion to Php25.9 billion with Fed Land comprising condominium units for sale and land for development and TMP mostly finished goods accounting for Php18.5 billion and Php6.2 billion, respectively. The balance of Php1.2 billion came from GBPC representing coal and spare parts and supplies (Php955 million) and TCI representing automobiles and spare parts (Php300 million).

Due from related parties decreased by 56% or Php251 million to Php194 million due to collections received from the various subsidiaries of Fed Land.

Prepayments and other current assets declined by 8% or Php499 million to Php5.5 billion primarily due to the application of creditable withholdings taxes against income tax due and the application of input tax against output tax.

Noncurrent receivables from Fed Land unit buyers who opted for long term payment arrangements (Php7.5 billion) and from various electric cooperatives of GBPC (Php757 million) rose by 67% or Php3.3 billion to Php8.2 billion.

Available-for-sale investments mainly from GBPC (Php2.1 billion), CPAIC (Php1.5 billion) and TMP (Php128 million) increased by 31% to Php4.1 billion from Php3.1 billion.

Investments in associates and joint ventures increased by 11% or Php4.3 billion to Php44.9 billion due to acquisition of 40% of TFSPC and equity call amounting to Php2.2 billion, acquisition of additional 19.25% of TMBC for a total purchase price of Php0.2 billion, share in net income and other comprehensive income of associates and joint ventures for the first nine months of 2014 amounting to Php2.6 billion and reduction from cost of investment representing the dividends received from associates and joint ventures amounting to Php0.7 billion.

Property and equipment grew by 5% or Php2.0 billion to Php43.1 billion mainly due to the GBPC's construction work-in-progress for the Toledo Plant Expansion TPC1A.

Deferred tax assets mostly from TMP comprising deferred tax assets on accrued retirement benefits, provision for claims and assessments and warranty payable (Php861 million) and GBPC representing deferred tax assets on provision for retirement benefits and unrealized foreign exchange losses (Php340 million) reached Php1.3 billion.

Other noncurrent assets grew by Php7.3 billion to Php8.5 billion principally due to Fed Land's deposit for purchase of properties amounting to Php6.3 billion and advances to contractors and suppliers relating to the engineering, procurement and construction contract for the Panay Energy Development Corporation (PEDC) Unit 3 Plant Expansion Project amounting to Php1.0 billion.

Accounts and other payables increased by 22% from Php19.1 billion to Php23.3 billion with TMP, Fed Land, GBPC, CPAIC, TCI and GT Capital accounting for Php14.0 billion, Php3.9 billion, Php3.6 billion, Php1.3 billion, Php360 million and Php148 million, respectively.

Insurance contract liabilities representing provisions for claims reported and loss adjustments incurred but not yet reported, and unearned premiums reached Php7.3 billion.

Short-term debt increased by Php0.5 billion from Php1.7 billion to Php2.2 billion due to inclusion of TCI short term loans (P632M), additional loan availments of TMP subsidiaries for working capital requirements (P410M) and additional loan availments of Fed Land subsidiaries (P280M) offset by loan payments made by GT Capital and GBPC amounting to Php800 million and Php69 million respectively.

Current portion of long-term debt decreased by 13% or Php0.4 billion due to loan principal payments made by GBPC.

Customers' deposits decreased by 18% or Php334 million to Php1.5 billion due to a reclassification to installment contracts receivable.

Income tax payable declined by 27% to Php637 million due to income tax payments paid in April by GT Capital's subsidiaries.

Dividends payable declined by Php2.0 billion due to full payment of cash dividends by GBPC in April 2014.

Other current liabilities increased by 13% or Php353 million to Php3.0 billion mainly due to recognition of deferred output from Fed Land's real estate sales.

Bonds payable increased by Php11.9 billion to Php21.8 billion due to issuance of bonds by GT Capital in August 2014 amounting to Php12.0 billion, net of Php123 million financing expenses.

Liabilities on purchased properties, net of current portion, declined by 14% to Php3.0 billion due to a reclassification from non-current to current portion triggered by principal amortization.

Pension liability amounted to Php1.9 billion, of which TMP, GBPC, CPAIC, Fed Land, TCI, and GT Capital accounted for Php1.1 billion, Php489 million, Php102 million, Php101 million, Php95 million and Php0.1 million, respectively.

Other noncurrent liabilities decreased by 8% or Php136 million to Php1.5 billion mainly due to the reversal of provisions relating to TMP's Corporate Social Responsibility activities.

Unappropriated retained earnings increased by 13% or Php2.8 billion from Php21.8 billion to Php24.6 billion due to the Php6.3 billion net income earned for the period less the (1) Php0.5 billion dividends declared and paid during the period and (1) Php3.0 billion appropriation of retained earnings.

Appropriated retained earnings reached Php3.0 billion earmarked for the equity call for GBPC to partially finance the PEDC Unit 3 Plant Expansion Project.

Other equity adjustments decreased by 20% from Php729 million to Php583 million as a result of the following transactions: (1) GT Capital's acquisition of an additional 33.33% direct equity stake in CPAIC (negative Php375.67 million); (2) the sale by GT Capital of a 40% equity stake of TCI to Mitsui (Php193.95 million); (3) acquisition of an additional 0.26% of TCI by GT Capital (negative Php0.42 million); (4) change in direct ownership in GBPC after FMIC waiver and GT Capital's partial waiver of pre-emptive rights on the subscription (Php60.52 million); and (5) change in direct ownership over TCI after subscription (negative Php24.80 million). Acquisitions or sales of non-controlling interest are changes in ownership in a subsidiary without loss of control which are treated as equity transactions. The difference between the consideration for the purchase or sale and the value of the non-controlling interest acquired or sold is recognized as negative or positive other equity adjustments.

Other comprehensive income increased by 80% or Php350 million to (negative Php87 million) due to mark-to-market gains recognized on AFS investments of subsidiaries and associates.

Equity before non-controlling interests grew by 9% or Php6.0 billion to Php76.6 billion coming from the Php6.3 billion net income realized for the period less Php523 million cash dividends declared and paid, Php350 million increase in other comprehensive income and partially offset by the decrease in other equity adjustments (Php146 million).

Non-controlling interests increased by Php4.8 billion to Php26.8 billion representing the net effect of: (1) Php4.2 billion net income attributable to non-controlling interest for the period; (2) Php2.2 billion increase in non-controlling interest in GBPC arising from the equity call contribution to the PEDC Unit 3 Plant Expansion Project; (3) Php532 million increase in non-controlling interest in Panay Power Holdings Corporation arising from the equity call contribution to the PEDC Unit 3 Plant Expansion Project; (4) Php378 million other comprehensive income attributable to non-controlling interest; (5) Php105 million additional non-controlling interest relating to the sale of 40% of TCI to Mitsui; (6) Php2.3 billion representing reversal of non-controlling interest relating to the cash dividends declared by TMP; and (7) Php336 million representing reversal of non-controlling interest arising from GT Capital's acquisition of the remaining 33.33% of CPAIC.

GT Capital Holdings Inc. and Subsidiaries
Key Performance Indicators (In Million Pesos, except %)

Consolidated Statements of Income	September 30, 2014	September 30, 2013
Total Revenues	104,922	76,788
Net Income attributable to Equity Holders of the Parent Company	6,346	7,688
Consolidated Statements of Financial Position	September 30, 2014	December 31, 2013
Total Assets	219,115	192,360
Total Liabilities	115,726	99,796
Equity attributable to Equity Holders of the Parent Company	76,553	70,526
Return on Equity (%) *	11.5%	13.9%

- Annualized net income attributable to GT Capital Holdings divided by the average equity; where average equity is the sum of equity attributable to GT Capital Holdings at the beginning and end of the period/year divided by 2.

Component Companies Financial Performance

Metrobank

Metrobank recorded a consolidated net income attributable to equity holders of Php13.1 billion in the first nine months of 2014 from Php20.7 billion realized in the same period of the previous year wherein the Bank registered non-recurring trading, securities and foreign exchange gains and gain on sale of non-core assets. For the third quarter, however, net income grew by 57% from Php2.5 billion in 2013 to Php4 billion in 2014.

Net interest income grew by 23% from Php27.6 billion in the first nine months of 2013 to Php34 billion in the first nine months of 2014 chiefly due to the 21% growth in loans and receivables reaching Php697.3 billion for the period driven by strong loan demand from middle market and SME clients. Non-interest income, on the other hand, amounted to Php19 billion. Major components of non-interest income are services charges, fees and commissions, (Php1.5 billion); trading securities and foreign exchange gains, (Php1.5 billion); and miscellaneous income, (Php10.9 billion).

Miscellaneous income included gains realized from a property sale and continued disposal of non-core assets.

Total resources reached Php1.5 trillion representing a 20.3% increase from Php1.25 trillion as of September 30, 2013. The improvement in resources came from the 23% expansion in total deposits from Php896.9 billion to Php1.1 trillion.

Federal Land

Fed Land total revenue rose by 16.2% from Php6 billion in the first nine months of 2013 to Php7 billion in the first nine months of 2014. The revenue improvement came from real estate sales, interest income on real estate sales, and equity in net earnings of an associate and a joint venture. Real estate sales including interest income on real estate sales grew by 27.1% from Php4.2 billion to Php5.4 billion mainly from ongoing high-end-and-middle-market development projects situated in Pasay City, Bonifacio Global City, Quezon City, Escolta, Manila, Paco, Manila, Cebu, and Marikina City. Equity in net earnings from an associate and a joint venture, likewise, grew by 5% from Php283.9 million to Php298.1 million mainly earnings from the Grand Hyatt project situated in Bonifacio Global City. As a result of the strong revenue growth, net income attributable to equity holders grew by 26.5% from Php847.7 million in 2013 to Php1.1 billion in 2014.

Global Business Power

GBPC's net fees, comprising energy fees for electricity supplied by its operating companies to its customers, net of adjustments, increased by 14.5% from Php12.5 billion in the first nine months of 2013 to Php14.3 billion in the first nine months of 2014 owing to the increase in net fees from Panay Power Corporation (PPC), Toledo Power Corporation (TPC), Panay Energy Development Corporation (PEDC) and Cebu Energy Development Corporation (CEDC). For PPC and TPC, the increase in net fees came from the interim power purchase contracts with bilateral customers amounting to Php654.8million and additional Wholesale Electricity Spot Market compensation collected amounting to Php87.7 million.

Power plant operations and maintenance expenses, however, increased by 20.5% from Php7.2 billion to Php8.6 billion arising from an increase in purchased power. As a result, net income attributable to equity holders increased by 8.1% from Php1.5 billion in the first nine months of 2013 to Php1.7 million in the first nine months of 2014.

TPC recently inaugurated an 82 megawatt expansion project in Toledo, Cebu. About 55 megawatts of electricity will be supplied to Carmen Copper Corporation effective December 26, 2014 and 17 megawatts will supply the requirements of Cebu III Electric Cooperative beginning February 26, 2015.

Toyota Motor Philippines

TMP's consolidated sales, including the three (3) auto dealer outlets - Lexus Manila, Toyota Makati and Toyota San Fernando, Pampanga, registered 32.8% growth from Php58.1 billion in the first nine months of 2013 to Php77.2 billion in the first nine months of 2014 as sales from completely built-up units and completely knocked-down parts grew by 63% and 24%, respectively, driven by the continued strong demand for the all new Vios, new models mix - Corolla Altis (January), Wigo (February), and Yaris (March) and minor improvements in the Innova (February) and Hi Lux (March), sales volume increments across all other models, aggressive sales and promotions and continued expansion in dealer outlets from 42 to 44.

The sales improvement and favorable movements in the foreign exchange rate resulted in an improvement in gross and operating profit margins from 12.9% to 14.5% and 7.6% to 8.6%, respectively. As a result, net income attributable to equity holders of the Parent Company rose by 52% from Php3.2 billion to Php4.9 billion.

AXA Philippines

AXA Philippines total sales, expressed in Annual Premium Equivalent, comprising regular, single, and group premium products, reached Php2.8 billion or 9% higher than same period of the previous year as the 21% decline in single premium was offset by 30% and 4% growth in regular and group premium products. This, however, resulted in a 9% decline in premium income from Php13.9 billion in the first nine months of 2013 to Php12.7 billion in the first nine months of 2014 mainly due to a 20% decrease in single premium income from Php8.3 billion to Php6.7 billion as prevailing high interest rates induced investors to remain liquid.

By product, single premium accounted for 52% or Php6.7 of premium income while traditional insurance products comprised the balance. The improvement in premium margin by 25.6% from Php1.8 billion to Php2.3 billion was offset by a 49.6% decline in investment income from non-linked investments from Php844 million to Php425 million. Non-linked investments in 2013 included gains realized from bonds and stocks. As a result, net income declined by 18.7% from Php1 billion in the first nine months of 2013 to Php845 million in the first nine months of 2014.

Charter Ping An

CPAIC registered a 12% growth in gross premium written from Php2.6 billion in the first nine months of 2013 to Php3 billion in the first nine months of 2014 with property, motor car, and compulsory OFW comprising 78% of gross premium written.

However, CPAIC incurred higher than normal claims and losses arising from typhoons that affected the Mindanao and Luzon regions in the first and third quarters of this year, respectively thereby resulting in a 5% decline in gross underwriting contribution from Php395.7 million to Php377 million. Likewise, lower one-time gains /losses from sale of shares of stock resulted in a 34% reduction in net income from Php154.7 million in the first nine months of 2013 to Php102.1 million in the first nine months of 2014.

Toyota Manila Bay

TMBC consolidated sales, from Manila Bay, Dasmarinas Cavite and Jose Abad Santos, Manila branches, grew by 23% from Php6.8 billion in the first nine months of 2013 to Php8.3 billion in the first nine months of 2014 as vehicle sales grew by 23% from Php6.3 billion to Php7.7 billion chiefly from the 32% increase in vehicle sales volume from 6,277 units to 8,292 units. Sales of spare parts and maintenance services, likewise, increased from Php300 million to Php358.4 million and from Php188.6 million to Php224.6 million, respectively.

Gross profit margin for vehicle sales was maintained at 6.9%. Net income rose by 22.1% from Php80.5 million in the first nine months of 2014 to Php98.4 million in the first nine months of 2014.

Toyota Cubao, Inc.

TCI consolidated sales, from Cubao and Marikina branches grew by 20% from Php3.1 billion to Php3.7 billion. Of total sales, vehicle sales comprised 93% while spare parts and maintenance services accounted for 4% and 3%, respectively. Retail sales grew by 30% from 3,196 units to 4,169 units with commercial and passenger car vehicles accounting for 51% and 49%, respectively.

Gross profit margin reached 7.2%, as improvements in gross profit margin for spare parts and maintenance services from 21.6% to 22.3% and 59.2% to 60.1% was offset by a decrease in gross profit margins for vehicle sales from 5.1% to 4.6% due to intensified competition from other Toyota dealers.

Net income grew by 35% from Php17.7 million in the first nine months of 2013 to Php23.9 million in the first nine months of 2014 as interest expenses declined from Php27 million to Php11.8 million due to a decrease in lending rates.

Toyota Financial Services

GT Capital acquired in August 29, 2014 40% of TFSPC from Metrobank and PSBank. The acquisition of TFSPC is part of the Company's strategy to invest in market leading businesses that bring synergy to its current component companies.

TFSPC recorded a 31.3% growth in interest income mainly from loans and receivables from Php1.3 billion in the first nine months of 2013 to Php1.8 billion in the first nine months of 2014 due to increase in average finance lease bookings from 1,245 units per month in 2013 to 1,879 bookings per month in 2014. Net income, on the other hand, decreased by 8.4% from Php332.9 million to Php304.9 million due to increase in operating expenses mainly provision for losses, taxes and licenses and sales and marketing.

A. iv Brief Description of the General Nature and Scope of the Company's Business and Its Subsidiaries

The Company is a major Philippine conglomerate with interests in market-leading businesses across banking, real estate development, power generation, automotive assembly, importation and distribution, and life and non-life insurance. GT Capital is the primary vehicle for the holding and management of the diversified business interests of the Ty family in the Philippines. GT Capital's business management, investment decisions, and future business development are and will be firmly rooted in its corporate values of integrity, competence, respect, entrepreneurial spirit, and commitment to value creation.

GT Capital's current portfolio of businesses is well-positioned to benefit from broad-based growth in the Philippine economy in general, and from domestic consumption in particular. The current portfolio comprises directly-held interests in the following GT Capital companies:

- **Banking** - GT Capital conducts banking services through its 25.1% interest in Metropolitan Bank & Trust Company ("MBT" or "Metrobank"), a universal bank that offers corporate and commercial banking products and services throughout the Philippines. MBT has been listed on the Philippine Stock Exchange since 1981. The MBT Group offers corporate and commercial banking products and services throughout the Philippines. The MBT Group's corporate banking services consists of banking services provided to corporate customers (generally recognized by MBT as the top 1,000 Philippine companies, multinational companies and government-owned and controlled companies). The MBT Group's commercial banking services consists of banking services provided to small and medium-sized businesses.
- **Real estate development** - GT Capital conducts its real estate development business through its 100% interest in its fully-consolidated subsidiary Federal Land, Inc. ("Fed Land" or "Federal Land"), which develops residential and commercial projects. Fed Land is today the sole Philippine real estate development company of the Ty family established over the years in the residential segment with principal focus on the residential space, particularly in condominium developments in key urban and suburban communities, as well as retail and commercial project developer.
- **Power generation** - GT Capital conducts its power generation business through its 51.3% direct ownership in Global Business Power Corporation ("GBP"), a holding company that through its subsidiaries, is a leading independent power producer in the Visayas region, with a combined gross dependable capacity of 622 MW (480 MW attributable to GBP, net of minority interests in its subsidiaries).
- **Automotive** - GT Capital conducts its automotive business through its 51% interest in Toyota Motor Philippines ("TMP"). TMP is engaged in the manufacture, importation, and wholesale distribution of Toyota brand motor vehicles in the Philippines, and is also engaged in the sale of motor vehicle parts and accessories both within the Philippines and through exports. TMP is also engaged in the distribution of Lexus brand motor vehicles in the Philippines.
- **Life Insurance** - GT Capital conducts its life insurance business through its 25.3% interest in Philippine AXA Life Insurance Corporation ("AXA" or "AXA Philippines"), which offers personal and group insurance products in the Philippines, including life insurance and investment-linked insurance products. AXA distributes its products through a multi-channel distribution network comprised of agents, bancassurance, corporate solutions and direct marketing/telemarketing.
- **Non-life Insurance** - GT Capital conducts its non-life insurance business through its 100% interest in Charter Ping An Insurance Corporation ("Charter Ping An" or "CPA"), which offers insurance products such as fire/property, marine, motor car, personal accident, bonds, other casualty, and engineering insurance in the Philippines.
- **Automotive Distribution** - GT Capital conducts its automotive distribution business through its 60% interest in Toyota Manila Bay Corporation ("TMBC") and its 52% interest in Toyota Cubao, Inc. ("TCI"). TMBC and TCI are engaged in the retail distribution of Toyota motor vehicles in Luzon, especially in Metro Manila, and is engaged in the retail sale of motor vehicle parts and accessories, and provide after-sales vehicles services to Toyota brand motor vehicles.
- **Automotive Financing** - GT Capital conducts its automotive financing business through its 40% ownership in Toyota Financial Services ("TFS"), which was acquired by GT Capital on August 29, 2014. TFS is primarily engaged in offering financing and leasing services to customers of Toyota vehicles in the Philippines.

The Company is a major Philippine conglomerate with interests in market-leading businesses across banking, real estate development, power generation, automotive, and life insurance. GT Capital is the primary vehicle for the holding and management of the diversified business interests of the Ty family in the Philippines. GT Capital's business management, investment decisions, and future business development are and will be firmly rooted in its corporate values of integrity, competence, respect, entrepreneurial spirit, and commitment to value creation.

A.v Company's Directors and Executive Officers

Not applicable.

A.vi Market Price, Shareholder and Dividend Information**Market Information**

The Company's shares of stock are traded in the Philippine Stock Exchange. As of October 31, 2014, the closing price of the Company's shares of stock was P1,010.00/share. The high and low sales prices for each period since the listing of the common shares are as follows:

	2012	
(In Php)	High	Low
2 nd Quarter (April 20 to June 30)	520.00	455.40
3 rd Quarter (July 1 to Sept 30)	565.00	499.00
4 TH Quarter (Oct 1 to Dec 31)	690.00	521.00
	2013	
1st Quarter (Jan 1 to March 31)	805.00	631.00
2nd Quarter (April 1 to June 30)	880.00	718.00
3 rd Quarter (July 1 to Sept 30)	870.50	690.00
4 TH Quarter (Oct 1 to Dec 31)	884.50	734.00
	2014	
1st Quarter (Jan 1 to Mar 31)	850.00	718.00
2nd Quarter (April 1 to June 30)	890.00	785.00
3 rd Quarter (July 1 to Sept 30)	1,060.00	853.00

Shareholder and Dividend Information:

The top 20 stockholders as of October 31, 2014 are as follows:

NAME OF STOCKHOLDER	NO. OF SHARES *	RATIO (%) TO TOTAL AMOUNT SUBSCRIBED
1. GRAND TITAN CAPITAL HOLDINGS, INC.	103,371,110	59.306
2. PCD NOMINEE (NON-FILIPINO)	59,145,820	33.933
3. PCD NOMINEE (FILIPINO)	11,175,278	06.412
4. TY, GEORGE SIAO KIAN	200,000	00.115
5. TY, ARTHUR VY	100,000	00.057
ALFRED VY	100,000	00.057
6. TY, MARY VY	99,000	00.057
7. DE CASTRO, SALUD D.	30,000	00.017
8. CENTURY SAVINGS BANK, CORP.	10,000	00.006
9. CHUA CO KIONG, WILLIAM N.	6,500	00.004
10. CHAN, ASUNCION C.	6,000	00.003
11. GOTIANSE, PAUL LEE	5,000	00.003
TING, ELIZABETH H.	5,000	00.003

12. CHOI, ANITA C.	4,000	00.002
13. MAR, PETER OR ANNABELLE MAR	3,000	00.002
14. BAGUYO, DENNIS G.	2,250	00.001
15. CHOI, DAVIS C.	2,000	00.001
CHOI, DENNIS C.	2,000	00.001
CHOI, DIANA C.	2,000	00.001
CROSLO HOLDINGS, CORP.	2,000	00.001
16. SYCIP, WASHINGTON Z.	1,800	00.001
17. PATERNO, ROBERTO L.	1,100	00.001
18. ANG, GERRY	1,000	00.001
BAUTISTA, MARIA CARMELO LUZA	1,000	00.001
BELMONTE, MIGUEL	1,000	00.001
BENGSON, MANUEL QUINTOS	1,000	00.001
BESHOURI, CHRISTOPHER P.	1,000	00.001
CHUA CO KIONG, CELY Y.	1,000	00.001
CHUA CO KIONG, WILLIAM N. &/OR	1,000	00.001
CUA, SOLOMON	1,000	00.001
PARAS, WILFREDO A.	1,000	00.001
PUNO, RODERICO	1,000	00.001
VALENCIA, RENATO C.	1,000	00.001
19. MEDIACOM EQUITIES, INC.	640	00.000
20. ALL CHRISTIAN FOUNDATION	500	00.000
CHAM, MARGARET T. ITF INIGO	500	00.000
CHAM, MARGARET T. ITF MARGARIT	500	00.000
CHAM, MARGARET T. ITF PAOLO	500	00.000
CHUA, ALEXANDER GABRIEL TY ITF	500	00.000
CHUA, ALEXANDER GABRIEL TY ITF	500	00.000
CHUA, JEANNE FRANCES T. ITF	500	00.000
CHUA, KENNETH GABRIEL TY ITF	500	00.000
CHUA, KENNETH GABRIEL TY ITF	500	00.000
DY BUNCIO, ANJANETTE TY ITF	500	00.000
DY BUNCIO, ANJANETTE TY ITF	500	00.000
DY BUNCIO, ANJANETTE TY ITF	500	00.000
ESTEBAN, LINDA S.	500	00.000
KAWPENG, CHRISTOPHER C.	500	00.000
KAWPENG, DANIEL C.	500	00.000
KAWPENG DAVID C.	500	00.000
KAWPENG, EDWIN C.	500	00.000
KAWPENG, TOMAS C.	500	00.000
TY, ALESANDRA VY, ITF ANDREI	500	00.000
TY, ALFRED VY ITF ARYANE	500	00.000
TY, ALFRED VY ITF AUGUSTO	500	00.000
TY, ARTHUR VY ITF ALISA	500	00.000
TY, ARTHUR, VY ITF ANDREW RYAN	500	00.000
TY, ARTHUR VY ITF ARIC JUSTIN	500	00.000
* Fully subscribed and paid up		

The Corporation's dividend policy under its bylaws is to declare and pay out of the unrestricted retained earnings cash, property, or stock dividends to all stockholders on the basis of outstanding stock held by them, as often and at such times as the Board of Directors may determine in accordance with law. Pursuant to the said policy, the Corporation paid cash dividends to its shareholders in 2011, 2012, 2013 and 2014 in the amounts of Php500 million, Php500.9 million, Php522.9 million and Php522.9 million respectively.

A.vii Corporate Governance

The Company adopted its Manual on Corporate Governance (the "Governance Manual") on December 2, 2011. The policy of corporate governance is based on the Governance Manual and existing written charters and other manuals and policies. The Governance Manual lays down the principles of good corporate governance in the entire organization. The Governance Manual provides that it is the Board's responsibility to initiate compliance with the principles of good corporate governance, to foster long-term success and to secure the Company's sustained competitiveness in a manner consistent with its fiduciary responsibility.

The Company's By-laws and Governance Manual provide that the Board shall have at least two independent directors. Since 2012, GT Capital has elected three independent directors on its board of directors. The Company espouses the definition of independence pursuant to the Securities Regulation Code. The Company

considers as an independent director one who, except for his director's fees and shareholdings, is independent of management and free from any business or other relationship which, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a Director of GT Capital Holdings.

The Governance Manual embodies the Company's policies on disclosure and transparency, and mandates the conduct of communication and training programs on corporate governance. The Governance Manual further provides for the rights of all shareholders and the protection of the interests of minority stockholders. Commission of any violation of the Governance Manual is punishable by a penalty ranging from reprimand to dismissal, depending on the frequency of commission as well as the gravity thereof.

The Board has constituted six committees to effectively oversee the Company's operations: (i) the Executive Committee (ii) the Audit Committee; (iii) the Nominations Committee; (iv) the Compensation Committee; (v) the Corporate Governance Committee; and (vi) the Risk Oversight Committee.

A.viii Undertaking to provide without charge a copy of the Company's Annual Report

The Company will provide without charge a copy of the Company's Annual Report on SEC Form 17-A to its stockholders upon receipt of a written request addressed to Mr. Francisco H. Suarez, Jr., Senior Vice President and Chief Financial Officer at 43rd Floor, GT Tower International, Ayala Avenue corner H. V. Dela Costa St., 1227 Makati City, Metro Manila, Philippines.